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PUBLIC UTILITIES
COMMISSION

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Attorneys for Participants

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF HAWAII

In the Matter of the)	Docket No. 04-0140
Application of,)	
)	
PARADISE MERGERSUB, INC.; GTE)	
CORPORATION; VERIZON HAWAII)	PARTICIPANTS' FIRST
INC.; BELL ATLANTIC)	SUBMISSION OF INFORMATION
COMMUNICATIONS, INC.; AND)	REQUESTS TO APPLICANTS;
VERIZON SELECT SERVICES INC.)	CERTIFICATE OF SERVICE
)	
For approval of a merger)	
transaction and related)	
matters)	
)	
)	
)	

**PARTICIPANTS' FIRST SUBMISSION OF
INFORMATION REQUESTS TO APPLICANTS**

Pursuant to the agreed upon procedural schedule set forth in the Stipulated Procedural Order which was submitted for the Commission's review and approval on August 23, 2004, Participants Jeremiah Genovia and Charles Hekekoa, Jr. and IBEW

Local 1357 (jointly referred to as Participants) hereby submit their First Submission of Information Requests in the above-docketed matter.

Dated: Honolulu, Hawaii, August 30, 2004.

A handwritten signature in dark ink, appearing to read 'H. Takahashi', written over a horizontal line.

Herbert R. Takahashi, Esq.
Stanford H. Masui, Esq.
Danny J. Vasconcellos, Esq.
Rebecca L. Covert, Esq.
Attorneys for Participants

Docket No. 04-0140

PARADISE MERGERSUB, INC.; GTE CORPORATION;
VERIZON HAWAII INC.; BELL ATLANTIC COMMUNICATIONS, INC.;
AND VERIZON SELECT SERVICES INC. For approval of a merger
transaction and related matters

PARTICIPANTS' FIRST SUBMISSION OF
INFORMATION REQUESTS TO APPLICANTS

INSTRUCTIONS

In order to expedite and facilitate the Participants' review and analysis in the above matter, the following is requested:

1. For each response, the responding Applicant should state the full name, address, telephone number and position and duration of employment of the officer answering these Information Requests (IR) and state the same information for all persons who have assisted and/or will assist said officer in answering these IRs;
2. As used herein, "document" includes any written, recorded or graphic matter however produced or reproduced, including but not limited to correspondence, telegrams, other written communications, contracts, agreements, notes, memoranda, analyses, projections, work papers, diaries, calendars, electronic or magnetic recordings, spreadsheets, work sheets, court orders, executive orders, or any other writings, including copies of any of the foregoing, now or at any time in the possession, custody or control of the responding Applicant.

3. Should the responding Applicant claim that any information is not discoverable for any reason:
 - a. State all claimed privileges and objections to disclosure;
 - b. State all facts and reasons supporting each claimed privilege and objection;
 - c. State under what conditions the Applicant is willing to permit disclosure; and
 - d. Identify each document responsive to the IR that is not being produced on the claim it is not discoverable, including the title or subject matter, the date, the author(s) and the addressee(s) relevant to the withheld response to the IR.
4. Some of the following questions duplicate prior questions submitted to the Employer (Verizon Hawaii) in effects bargaining. To compile a full record, a response is requested herein. To the extent Verizon Hawaii can attach a written response previously given to the Union in response to the questions herein, such a response is sufficient so long as the response to the question herein accurately and specifically directs the reader to the response found on any attachment.
5. Where the Participants' request mirrors an IR of the Consumer Advocacy, the identity of the Consumer Advocacy's IR is indicated in the request. To the extent the Participants will receive responses to the Consumer Advocacy's IRs an indication to see the response to the Consumer Advocacy's IR is sufficient.
6. Please note, the heading adjacent to a Participant Information Request (i.e., "P-IR-1") is an attempt to organize the requests by subject matter but is not a waiver or admission as to the nature of the term,

condition, or benefit of employment covered by the IR and is not intended to restrict or limit the scope of any response.

INFORMATION REQUESTS

P-IR-1 General Requests

1. Please provide a copy of the following Sections from the Seller Disclosure Schedule and any subsequent updates.
 - a. Section 3.14(a)
 - b. Sections 3.14(a), (f), (g), and (h) (related to BU retirees or BU employees and a copy of each document listed therein).
 - c. Section 3.23;
 - d. Section 3.24(a);
 - e. Section 5.21¹
 - f. Section 8.1; and
 - g. Section 8.2.
2. Please verify that the length of service that the Buyer recognizes for all employee benefits and employment-related purposes (other than "defined benefit plan benefit accrual services") starts with the "Date Service," going forward as identified in Section 8.1 of the Seller Disclosure Schedule. (Section 8.4, Agreement of Merger (filed with the Application) (herein referred to as "Sale Agreement"))).
3. Please describe all of the employers' obligations of the labor contract not being assumed by the Buyer.
4. Please confirm that the Buyer will recognize the IBEW Local 1357 as the exclusive bargaining representative of the Transferred Bargaining Unit ("BU") employees.
5. Please identify the human resource person(s) who will work for the Buyer related to personnel matters of Transferred BU employees, if known at this time.
6. Please provide complete copies of all information provided to Verizon Hawaii BU employees to date to

¹ In a previous communication from Verizon to the Union, Verizon stated there was no Section 5.21 within the Seller Disclosure Schedule. Please see Section 3.24(a) of the Sale Agreement that specifically refers to a Section 5.21 of the Seller Disclosure Schedule.

explain the impact of the proposed transaction upon their continued employment, wages, and benefits. (Also CA-IR-50).

7. Please provide a copy of all BU position descriptions provided to the Buyer.
8. Please indicate all grievances filed by IBEW Local 1357 that the Company identified to the Buyer that remain pending (unadjusted).
9. Please indicate all unfair labor practices the Company identified to the Buyer that were filed by IBEW Local 1357 and remain pending (unresolved).
10. Please indicate any agreement (or the location within the Sale agreement) that confirms the Buyer will assume liability for any remedies ordered by an Arbitrator or the National Labor Relations Board arising from pending grievances and/or unfair labor practice charges, including reinstatement and back pay.
11. Please identify any other agreement between the Seller and the Buyer related to the handling and adjusting of grievances that remain pending after the Closing date.
12. Please describe what commitment or arrangement has been made by Verizon Hawaii to the Buyer regarding access to personnel files and records of its BU employees?

P-IR-2 Retention and Transfer of Employees

1. Please provide a copy of the existing organization chart for BU employees and any draft charts for operations under the Buyer as employer.
2. Please provide a copy of the current seniority list and a copy of any seniority list provided to the Employer.
3. Please confirm whether the Buyer will maintain the existing seniority systems for Transferred BU employees.
4. Please identify all employees not otherwise identified in either Section 8.1 or 8.2 of the Seller Disclosure Schedule who are at present on approved personal leave, workers' compensation, military leave with reemployment rights under federal Law, maternity leave, leave under the Family and Medical Leave Act of 1993, short-term disability, or layoff with recall rights pursuant to a labor contract, and any other type of approved leaves of absence with a legal or contractual right to reinstatement and please indicate

- the nature and anticipated duration of the leave. (Section 8.1, Sale Agreement).
5. Please provide any information related to whether Verizon Hawaii will have the capacity to retain any employees who are on long-term disability and unable to return to work within six months of the Closing date. (Section 8.3(d), Sale Agreement).
 6. For those BU employees who remain on long-term disability at this time, please identify the position that would or could be offered by the Seller to that employee if the employee is unable to recover from the long-term disability within six months after the Closing Date. (Section 8.3(d), Sale Agreement).
 7. Please provide a copy of any documents filed with government agencies or officers regarding any plant closing notice or compliance required under federal and/or state law (i.e., WARN or DWA). (Sections 8.14-8.15, Sale Agreement).
 8. Please provide any information related to any proposals under consideration for the reduction of force of the Transferred BU employees or the contracting out (outsources) of bargaining unit work after the Closing date. (Section 8.13, Sale Agreement).
 9. Please identify what BU positions performed the back office functions prior to the transfer of the functions to the mainland and if such documentation is not available in this format, please provide a copy of the BU seniority list that indicates employees' classifications that was published prior to the transfer of the functions to the mainland.
 10. Please identify what BU employees currently provide support services to the mainland back office functions.
 11. Please identify any information related to any proposals under consideration for the consolidation of telephone services and/or telephone/craft/field operations presently being performed by Verizon BU employees that would impact on the nature and type of bargaining unit.
 12. Please provide a copy of any confidentiality agreements signed by BU employees related to Intellectual Property owned by the Company, Seller or any of its Affiliates. (Section 8.17, Sale Agreement).
 13. Please describe any plans, whether preliminary or approved, of the Buyer to change a Transferred

- Employee's position, compensation or benefits. (Section 8.3(c), Sale Agreement).
14. If a Transferred BU employee is ever re-hired by Verizon at a later date, will that employee's Verizon service be bridged?
 15. Please identify what bargaining unit work (or portions thereof) will remain or continue to be performed by the Seller.
 16. Please indicate if the Company will continue to recognize and bargain with the Union for those employees retained (not transferred to the Buyer's operations).
 17. Please provide the most detailed available assessment of staffing levels prepared by or for the Buyer and used to determine all planned changes in staff count by department and classification of BU employees. (Also CA-IR-51(a)).
 18. Please explain all efforts of Buyer to evaluate Hawaii staffing levels relative to Transferred BU employees. Please provide complete copies of all studies, reports, analysis, projections, work papers, and other documents associated with work in this area. (Also CA-IR-54).

P-IR-3 General Terms and Conditions of Employment

1. Please provide any information related to Buyer's plans to change a Transferred BU employee's position, compensation, or benefits for performance-related, business or any other reasons (Section 8.3(c), Sale Agreement).
2. Please confirm the extent to which sections 5.24(a) and (b) of the Sale Agreement (solicitation) apply to BU employees or former BU employees who would otherwise come under either of the provisions and if either provision covers BU or former BU employees, please explain further how those employees will be affected.
3. Under the terms of the Sale Agreement, will a transferred BU employee be able to apply for and be considered for positions at Verizon and if so under what conditions?
4. Please provide any documents that would indicate any differences between the Transferred BU employees' existing positions and the comparable position to which they will be transferred. (Section 8.3(a), Sale Agreement).

5. Please provide any documents that would indicate any differences between the Transferred BU employees' base pay and total compensation in the aggregate and the comparable base pay and total compensation in the aggregate position that they will receive once transferred to the Buyer. (Section 8.3(a), Sale Agreement).
6. Please confirm if the Buyer will honor the written authorizations signed by BU employees' to deduct from their wages union dues and continue to make the deductions with transmittal to the Union.
7. Will the Buyer allow other forms of deductions (i.e., direct payments to savings and bank accounts, direct payment of insurance premiums, etc.).
8. Does the Buyer have any plans to initiate training programs for Transferred BU employees either generally or specifically related to the return of back office work from the Mainland to Hawaii.

P-IR-4 Welfare Plans of BU Employees

1. Please identify by BU employee information related to each BU employee participating in the Seller's Bargained Welfare Plans (i.e., which plans they participate in, which type of coverage they come under for each plan, amount of contribution or deductibles). (Section 8.9(a), Sale Agreement).
2. Please provide copies of any plan descriptions of the Buyer Bargained Welfare Plans (including but not limited to medical, health and life benefits). (Sections 8.9(a), (b), Sale Agreement).
3. Please provide a list showing each Transferred BU employee's co-payment amounts, deductibles, and out of pocket limits under the Seller Welfare Plans;
4. Please describe any differences, known to the Applicants, between the Seller's Bargaining Welfare Plans and the Buyer Welfare Plans. (Section 8.9(a), Sale Agreement).
5. Please identify any BU employee who are classified as CIC Protected Transferred Employees. (Section 8.9(b), Sale Agreement).
6. Please identify any BU employees who are participating in or have participated in the Verizon Flexible Reimbursement Plan ("FRP"), and if any, then a copy of any documents sent to the BU employees participating in the FRP related to their elections. (Section 8.9(e), Sale Agreement).

7. Please provide a copy of Buyer's FSA that will become the receptacle for any BU employees participating in the Seller's FSA who elect to transfer to the Buyer's FSA.
8. Please provide a statement of the existing debit and credit balances under the FRP of the Transferred BU employees. (Section 8.9(e)(3)).

P-IR-5 Other Benefit Plans of BU Employees

1. Please provide the calculation of BU employees' unused current-year vacation time (including personal days) accrued to the present and any projected calculations of time that will have accrued through the target Closing Date. (Section 8.11, Sale Agreement).
2. Please provide the calculation of BU employees' vacation time banked as to the present and any projected calculation of time that will have been banked through the target Closing Date. (Section 8.11, Sale Agreement).
3. Please provide the factors considered by the Applicants that resulted in the cash out of BU employees for banked vacation time as opposed to transferring the banked time (and corresponding assets) to the Buyer.
4. Please provide a list of all unused 2004 personal days of Transferred BU employees.
5. With respect to the Defined Benefit Plans - Policies of Programs as listed in Section 3.14(a) of the Sellers Disclosure Schedule, please provide a copy of the current policies and programs for the following (Any information found in the CBA related to these policies does not have to be reproduced here):
 - a. Family and Medical Leave Act (FMLA) Policy
 - b. Tuition Assistance Policy
 - c. Vacation Policy
 - d. Vacation Carryover Policy
 - e. Adoption Assistance Program
 - f. Affirmative Action Policy
 - g. Americans with Disabilities Act (ADA)
 - h. Career Banding Policy
 - i. Code of Business Conduct
 - j. Contingent Worker Policy
 - k. Corrective Action Guidelines
 - l. Emergency Military Leave Policy
 - m. Environmental Policy
 - n. Equal Employment Opportunity and

- o. Americans with Disabilities Act (ADA)
- p. Career Banding Policy
- q. Code of Business Conduct
- r. Contingent Worker Policy
- s. Corrective Action Guidelines
- t. Emergency Military Leave Policy
- u. Environmental Policy
- v. Equal Employment Opportunity and Tolerance Policy
- w. Federal Regulations for Recording and Reporting Occupational Injuries and Illnesses
- x. Flexible Work Arrangements Policy
- y. Handicapped Parking Policy
- z. Sexual Harassment Policy
- aa. Travel Policy
- bb. Volunteer Initiative Program
- cc. Matching Contributions to Education Program
- dd. Scholarship Programs
- ee. Associate to Management Releasability Guidelines
- ff. Base Pay Policy for Employees on a Sales Incentive Compensation Plan
- gg. College Intern Program
- hh. Commuter Advantage Program
- ii. Commuter Reimbursement Program
- jj. Company Sponsored Memberships
- kk. Concession Telephone Service
- ll. Department Recognition Plan
- mm. Driving on Company Business and Wireless Safety Policy
- nn. Drug Abuse and Alcohol Misuse - Training for Management
- oo. Employee Exit Interview Policy
- pp. Employee Participation in ERGs
- qq. Employee Reference Policy
- rr. Geographic Pay Policy
- ss. Gradual Return to Work (GRW) Section
- tt. Grooming and Dress Code Policy for Management Employees
- uu. Growth Pay Policy
- vv. Hazard Communication Policy
- ww. Holiday and Personal Day Policy
- xx. 2004 Management Holiday and Personal Day Section
- yy. Hours of Service
- zz. Inclement Weather Policies
- aaa. Job Evaluation Policy
- bbb. Job Posting Guidelines for Management Opportunities
- ccc. Leave of Absence Policy

- ddd. Management Releasability Guidelines
- eee. Management Retreat/Downgrade to Associate/Hourly Position
- fff. Occasional Worker Guidelines
- ggg. On-Site Education Program Policy Statement
- hhh. Overtime and Holiday Premium Policies for Exempt Management Employees
- iii. Overtime Policy for Nonexempt Management Employees
- jjj. Paid and Unpaid Time Off Policy
- kkk. Performance Improvement Guidelines for Management Employees
- lll. Portfolio (Corporate) Award
- mmm. Promotion Policy
- nnn. Reclassification Policy
- ooo. Recruitment/Search Firms Policy
- ppp. Recycling and Waste Reduction Policy
- qqq. Rehire Policy
- rrr. Religious Accommodation Policy
- sss. Reporting and Classifying Employee Injuries and Illnesses
- ttt. Reporting and Classifying Motor Vehicle Accidents
- uuu. Safety and Occupation Health Policy
- vvv. Safety Performance Plan
- www. Service Anniversary Luncheon and Retirement Luncheon/Open House Policy
- xxx. Service Anniversary and Retirement Recognition Policy
- yyy. Verizon Heroes Award
- zzz. Vehicle Policy
- aaaa. Visa Sponsorship
- bbbb. Workplace Violence Policy

6. With respect to the programs and policies listed above, please provide any information on whether the programs will continue with the Buyer and if the Buyer plans to implement its own policies, please provide a copy of the policy and any additional detail known about the policy.
7. Please provide the calculations of any cash bonuses identified in Section 8.5 of the Sale Agreement that relate to BU employees and also identify the portion for which the Buyer will be obligated and the remaining portion that will remain the obligation of the Company.
8. Please explain what is the nature of the concern related to any duplicate benefits discussed in Section 8.6 of the Sale Agreement.

9. Please identify all BU employees who participate in the Seller Savings Plans as identified in Section 8.8 of the Sale Agreement and indicate the current benefits and aggregate amounts contributed for each participating Transferred BU employee.
10. Please provide all information related to any matching contributions made by Verizon Hawaii for all Seller Savings Plans for participating Transferred BU employees.
11. Please identify all Buyer Savings Plans the Buyer has established pursuant to Section 8.8(b) of the Sale Agreement and describe any differences between the Seller and the Buyer savings plans as they apply to BU employees.
12. Please identify all BU employees who now participate in any retention bonus agreement and if yes, will the proposed sale eliminate the retention bonus agreement now being offered to some BU employees?
13. If a BU employee retires prior to the close of the sale, will that employee's retiree health and welfare benefits be protected under the existing Collective Bargaining Agreement?
14. Under the terms of the Sale Agreement, will a BU employee be allowed to roll over a portion of a 401(k) plan into the Buyer's plan, and keep the remainder in the Verizon plan?
15. What is the effect if after the Closing Date a BU employee rolls over the benefits from a 401(k) plan with the Company to a similar plan maintained by the Buyer?
16. What will happen to the Verizon stock and ESOP shares that are in that 401(k) plan?
17. Please provide copies of any and all documents which would identify the effect of the proposed Merger on: (a) Savings and investment; (b) Stock options; and (c) Team performance.
18. Please confirm whether the Buyer has any programs that will be offered to Transferred BU employees related to: (a) Savings and investment; (b) Stock options; and (c) Team performance.
19. What will happen to TPA (Team Performance Awards) in 2005 (prior to the close of the sale)?
20. Will the Buyer offer a similar TPA program? If yes, please provide information related to the Buyer's TPA program.
21. Will Verizon continue the Verizon Scholarship Program for those recipients still participating in the Program?

22. Will the Buyer offer a similar Scholarship Program?
23. Please list all existing benefit plans available to Transferred BU employees and explain the Buyer's plan for replacement, assumption or continuation of each existing Verizon Hawaii benefit plan, indicating the approximate annual cost incurred by Verizon Hawaii in 2003 for each plan and the anticipated annual cost to the Company under new ownership, to the extent determinable. (Also CA-IR-52).
24. Please explain whether the telephone concession service will continue for active employees after the Closing Date and if so, please describe the details.

P-IR-6 GTE HAWAIIAN HOURLY EMPLOYEES RETIREMENT BENEFIT PLAN

1. For each of the ERISA plans or Other Plans, please provide a current, accurate, and complete copy (or, to the extent no such copy exists, an accurate description) thereof (including amendments) and to the extent applicable: (i) any related trust agreement or other funding instrument; (ii) the most recent determination letter, if applicable; (iii) any Summary Plan Description (to the extent required by applicable Law) or other written participant explanation (if any); and (iv) for the two (2) most recent years (A) the Form 5500 and attached schedules, if applicable, (B) audited financial statements, if applicable, and (C) actuarial valuation reports, if applicable. (Section 3.14(a) Employee Matters, Sale Agreement)
2. Please provide a copy of all communications to or from PBGC regarding any pension funds covering retirees or BU employees;
3. Please provide a copy of all communications to or from any other governmental agency regarding any ERISA plans covering retirees or BU employees;
4. Please identify the amount of the assets that the Company calculates will be transferred to the Buyer Pension Plan. (Section 8.7(e)(1), Sale Agreement). If no calculations have been done related to this sale, please provide the most recent calculations done for any reason that would identify the amount of the assets that would be transferred under the circumstances of this sale.
5. Please identify the amount of the assets that the Company calculates will not be transferred to the Buyer Pension Plan but instead will remain in the Seller Hourly Pension Plan.

6. Please confirm if the Company is considering a transfer of all remaining assets to the plan identified in Section 8.7(a)(2) of the Sale Agreement (another GTE or affiliate plan).
7. Please describe any plans by the Company or its affiliates for use of the surplus or over funding that now exists in the Seller Hourly Pension Plan.
8. Please provide all information now known related to the planned transfer of sponsorship of the Seller Hourly Pension Plan from the Company to the Seller (GTE Corporation) including (a) any plans to merger the then transferred plan into an existing or newly designed plan of GTE Corporation or one of its affiliates). (Section 8.7(a)(2), Sale Agreement).
9. Please provide all factors considered in deciding to transfer sponsorship of the Seller Hourly Pension Plan to the Seller (or its affiliate) as opposed to transferring the sponsorship of the plan to the Buyer. (Section 8.7(a)(2), Sale Agreement).
10. Please provide all information related to the defined benefit plan that will be established or maintained by the Buyer for the benefit of the transferred BU employees. (Section 8.7(c), Sale Agreement).
11. Please include a description of any Buyer Pension Plan now in effect or being created that would cover the Transferred BU employees. (Section 8.7(c), Sale Agreement). Please provide a copy of (i) any related trust agreement or other funding instrument; (ii) the most recent determination letter, if applicable; (iii) any Summary Plan Description (to the extent required by applicable Law) or other written participant explanation (if any); and (iv) for the two (2) most recent years (A) the Form 5500 and attached schedules, if applicable, (B) audited financial statements, if applicable, and (C) actuarial valuation reports, if applicable.
12. The Sale Agreement requires the Buyer Pension Plan to be substantially comparable in all material respects to the terms of the Seller Hourly Pension Plan." (Section 8.7(c), Sale Agreement). Please describe any differences between the two plans.
13. Please provide the "service and compensation" as determined under the terms of the Seller Hourly Pension Plan for all Transferred BU employees including any preliminary information if a final

figure cannot be known until on or about the Closing Date. (Sections 8.7(d)(2), (3), Sale Agreement).

14. The Sale Agreement requires the benefit under the Buyer Pension Plan for each Transferred BU employee to be calculated under terms of the Buyer Pension Plan that are substantially comparable in all material respects to the terms of the Seller Hourly Pension Plan." (Section 8.7(d)(2), Sale Agreement). Please describe any differences between the benefits.
15. Please identify the party that bears the risk and liability in the event it is determined that an additional amount of assets should have been transferred from the Seller Hourly Pension Plan to the Buyer Pension Plan. (Section 8.7(e)(1)).

P-IR-7 VEBA PLANS

1. Please provide a copy of any Form 5500 or other reports filed with a government agency in the past three years related to the VEBA trusts.
2. What is the current assets in each Fund and what are the calculated liabilities based on reasonable actuarial standards.
3. What if anything did the buyers and sellers agree to regarding the VEBA Funds
4. Which entity will pay the benefits provided for by the collective bargaining agreement from the VEBA Funds, to whom, and for how long.
5. Describe Seller's long term plans for the VEBA funds.
6. What plans (final or preliminary), if any, does Verizon Hawaii, Inc. have to terminate the retiree benefits offered through the VEBA Funds.
7. What plans does the Buyer have related to the retiree benefits offered through the VEBA Funds.
8. Please describe in detail what will happen to the VEBA assets and what is the arrangement related to the retention or transfer of assets in the VEBA funds.
9. Please provide any other information that would explain what is planned for the maintenance and use of these VEBA funds after the closing date.
10. Please provide a list of all retirees and their dependents who are currently receiving benefits from the plan and for each identify the health plans, dental plans, and vision plans offered to those retirees.
11. Please explain how the Seller intends to fund the monthly medical premiums for retirees if contributions

are no longer made to the VEBA Funds after the Closing date.

12. Please provide the Seller's position on whether the existing agreement on retiree benefits (other than pension) requires the Seller to provide said benefits for the life time of the retiree or at any time after September 1, 2007. If not, please provide all information related to the Seller's long-term plans for those retiree benefits.
13. Please list what conditions or contingency would cause the Seller to seek to cancel the retirees' benefits (other than pension).
14. If the medical benefit plans for the retirees is different from those for the active BU employees, please provide copies of the plans.
15. Please identify any contributions now paid by retirees towards the medical benefit premiums as anticipated in the VEBA MOA ("Capped Retiree Medical Benefits Premium")

P-IR-8 Retiree Benefits (Not otherwise covered above)

1. Will the proposed sale have any adverse effect on the current retirees as related to cost and coverage benefits for medical and Medicare? If yes, please provide a detailed response. If no, please explain.
2. What type of retiree medical coverage will be provided for retirees who move out of state?
3. Whether the telephone concession service will continue for active employees, in-franchise area retirees, and out-of-franchise area retirees and if so, how.

CERTIFICATE OF SERVICE

I hereby certify that on this date hard copies of the foregoing document were made in the manner and number indicated (First Class postage, pre-paid were delivered by mail) and, where e-mail address is provided, the document was also e-mailed:

Public Utilities Commission 465 South King Street, Room 103 Honolulu, Hawaii 96813	By Hand Original + 12 copies
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Department of Commerce and Consumer Affairs Division of Consumer Advocacy 335 Merchant Street, Room 326 Honolulu, Hawaii 96813 <u>Cheryl.S.Kikuta@dcca.hawaii.gov</u>	By Hand 6 copies
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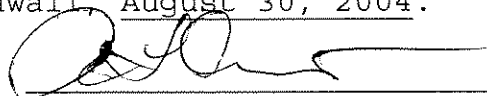
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Department of Defense, et al.

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Attorneys for Petitioner
TIME WARNER TELECOM OF HAWAII, L.P.
dba OCEANIC COMMUNICATIONS

Dated: Honolulu, Hawaii, August 30, 2004.



Rebecca L. Covert
Attorney for Participants